
June 8, 2005



Infrastructure and Environment

Washington Headquarters Services Data
Call Submissions and Internal Control
Processes for Base Realignment and
Closure 2005
(D-2005-079)

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Acronyms

BRAC	Base Realignment and Closure
COBRA	Cost of Base Realignment Actions
DA&M	Director, Administration and Management
DoD OIG	Department of Defense Office of Inspector General
DWO	Defense-Wide Organizations
HSA	Headquarters and Support Activities
ICP	Internal Control Plan
JCSG	Joint Cross Service Group
JPAT 7	Joint Process Action Team Criterion Number 7
OSD	Office of the Secretary of Defense
WHS	Washington Headquarters Services



INSPECTOR GENERAL
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June 8, 2005

MEMORANDUM FOR DIRECTOR, WASHINGTON HEADQUARTERS SERVICES

SUBJECT: Report on Washington Headquarters Services Data Call Submissions and Internal Control Processes for Base Realignment and Closure 2005 (Report No. D-2005-079)

We are providing this report for information and use. Washington Headquarters Services provided comments. We considered management comments on the draft of this report when preparing the final report. The complete text of the comments is in the Managements Comments section of the report.

We appreciate the courtesies extended to the staff. Questions should be directed to Ms. Deborah L. Culp at (703) 604-9335 (DSN 664-9335) or Ms. Lisa M. Such at (703) 604-9284 (DSN 664-9284). See Appendix B for the report distribution. The team members are listed inside the back cover.

By direction of the Deputy Inspector General for Auditing:

A handwritten signature in black ink, reading "Richard B. Jolliffe", is positioned above the printed name.

Richard B. Jolliffe
Assistant Inspector General
Contract Management

Department of Defense Office of Inspector General

Report No. D-2005-079

June 8, 2005

(Project No. D2004-D000CG-0110.000)

Washington Headquarters Services Data Call Submissions and Internal Control Processes for Base Realignment and Closure 2005

Executive Summary

Who Should Read This Report and Why? Office of the Secretary of Defense personnel, Washington Headquarters Services (WHS) management personnel, and anyone interested in the Base Realignment and Closure (BRAC) process should read this report. The report discusses the validity, integrity, and supporting documentation of the data provided by WHS for BRAC 2005.

Background. BRAC 2005 is the formal process outlined in Public Law 101-510, “Defense Base Closure and Realignment Act of 1990,” as amended, under which the Secretary of Defense may realign or close military installations inside the United States and its territories. As part of BRAC 2005, the Under Secretary of Defense for Acquisition, Technology, and Logistics issued “Transformation Through Base Realignment and Closure (BRAC 2005) Policy Memorandum One—Policy, Responsibilities, and Procedures,” April 16, 2003, which stated that the Department of Defense Office of Inspector General would review the accuracy of BRAC data and the certification process.

The BRAC 2005 process was divided into the following data calls: capacity analysis, supplemental capacity, military value, Cost of Base Realignment Actions, Joint Process Action Team Criterion Number 7, and scenario specific. The supplemental capacity, military value, Cost of Base Realignment Actions, and Joint Process Action Team Criterion Number 7 data calls were collectively known as the second data call. We issued site memorandums for the capacity analysis data call, second data call, and revalidation of the capacity analysis data call to summarize the results of the site visits. This report summarizes issues related to the WHS BRAC 2005 process as of April 5, 2005.

The WHS is a Defense-Wide Organization¹ responsible for providing administrative and operational support to DoD. The Director, WHS also serves as the Deputy Director for Administration and Management in the Office of the Secretary of Defense. WHS is located in the Pentagon and has 13 other offices in the Washington, D.C., area. Initially, the WHS Planning and Evaluation Directorate was responsible for collecting and submitting BRAC responses for all WHS offices. However, during the second data call, these responsibilities were transferred to the WHS Administration and Program Support Directorate Staff Offices. In addition to these two offices, we visited the Financial Management Directorate and Human Resources Directorate during the review.

¹ Defense-Wide Organization is a collective term used for 11 Defense Organizations.

Results. We evaluated the validity, integrity, and supporting documentation of WHS BRAC 2005 data and compliance with the Office of the Secretary of Defense and the Defense-Wide Organizations internal control plans for the capacity analysis data call, the second data call, and the scenario specific data calls. Once corrections were made, WHS BRAC 2005 data were generally supported, complete, and reasonable. However, as of April 5, 2005, for the capacity analysis data call, 9 of the 97² responses were partially supported and 3 responses were unsupported. For the second data call, 2 of the 71 responses were partially supported and 9 were unsupported. For the scenario specific data calls, 3 of the 12 scenario specific data calls were partially supported. We cannot determine if these partially supported or unsupported questions had a material effect on the BRAC 2005 analysis for WHS.

The WHS data collection processes for each of the data calls generally complied with the Office of the Secretary of Defense and Defense-Wide Organizations internal control plans, and the Defense-Wide Organizations internal control plan properly incorporated and supplemented the Office of the Secretary of Defense internal control plan. However, WHS had seven immaterial noncompliance issues with the internal control plans that should not affect the integrity of WHS data for use in BRAC 2005 analysis.

Management Comments and Audit Response. We provided a draft of this report on May 2, 2005. Although no comments were required, WHS provided comments that stated that the draft report contained two errors. WHS stated that supporting documentation for Cost of Base Realignment Actions question number 1501 was available for DoD OIG review during the February 17, 2005, site visit. During our final site visit, WHS did not inform us that supporting documentation had been obtained for the Cost of Base Realignment Actions question number 1501. Therefore, we did not revalidate Cost of Base Realignment Actions question number 1501. In addition, WHS stated that the methodology used to collect the personnel information was provided for scenario specific data call HSA-0053. In response to management comments, we corrected the report to reflect that an inadequate methodology was provided for scenario specific data call HSA-0053. See the Finding section of the report for a discussion of management comments and the Management Comments section of the report for the complete text of the comments.

² Headquarters and Support Activities Joint Cross Service Group determined that partially supported and unsupported question numbers 347, 352, 358, 360, 362 through 366, 369, 371, 376, 379, 382, 383, 385 through 387, 393, 478, and 481 were no longer needed or would not be used for its analysis. As a result, we determined that no further action was required on behalf of Washington Headquarters Services for these questions.

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Background

Base Realignment and Closure 2005. Public Law 101-510, “Defense Base Closure and Realignment Act of 1990,” as amended, establishes the procedures under which the Secretary of Defense may realign or close military installations inside the United States and its territories. The law authorizes the establishment of an independent Commission to review the Secretary of Defense recommendations for realigning and closing military installations. The Secretary of Defense established and chartered the Infrastructure Executive Council and the Infrastructure Steering Group as the Base Realignment and Closure (BRAC) 2005 deliberative bodies responsible for leadership, direction, and guidance. The deadline for the Secretary of Defense to submit recommendations to the independent Commission was May 16, 2005.

Joint Cross Service Groups. A primary objective of BRAC 2005, in addition to realigning base structure, was to examine and implement opportunities for greater joint activity. The Office of the Secretary of Defense (OSD) established seven Joint Cross Service Groups (JCSG): Education and Training, Headquarters and Support Activities (HSA), Industrial, Intelligence, Medical, Supply and Storage, and Technical. The JCSGs addressed issues that affect common business-oriented support functions, examined functions in the context of facilities, and developed realignment and closure recommendations based on force structure plans of the Armed Forces and on selection criteria. To analyze the issues, each JCSG developed data call questions to obtain information about the functions that they reviewed.

BRAC Data Calls. The BRAC 2005 process was mandated for the United States and its territories and was divided into the following data calls: capacity analysis, supplemental capacity, military value, Cost of Base Realignment Actions (COBRA), Joint Process Action Team Criterion Number 7 (JPAT 7), and scenario specific. The supplemental capacity, military value, COBRA, and JPAT 7 data calls were collectively known as the second data call. The Services, Defense agencies, and Defense-Wide Organizations (DWO) used either automated data collection tools or a manual process to collect data call responses. Each data call had a specific purpose as follows.

- The capacity analysis data call gathered data on infrastructure, current workload, surge requirements, and maximum capacity.
- The supplemental capacity data call clarified inconsistent data gathered during the initial capacity analysis data call.
- The military value data call gathered data on mission requirements, land and facilities, mobilization and contingency, and cost and manpower.

-
- The COBRA data call gathered data to develop costs, savings, and payback (formerly known as return on investments) of proposed realignment and closure actions.
 - The JPAT 7 data call gathered data to assess the community's ability to support additional forces, missions, and personnel associated with individual scenarios.¹
 - The scenario specific data call gathered data related to scenarios for realignment or closure.

Department of Defense Office of Inspector General Responsibility. The Under Secretary of Defense for Acquisition, Technology, and Logistics' memorandum "Transformation Through Base Realignment and Closure (BRAC 2005) Policy Memorandum One—Policy, Responsibilities, and Procedures," April 16, 2003, required the Department of Defense Office of Inspector General (DoD OIG) to provide internal control plan (ICP) development and implementation advice, review the accuracy of BRAC data, and evaluate the data certification processes. In addition, the memorandum required DoD OIG personnel to assist the JCSGs and DoD Components as needed. This report summarizes the results of the DoD OIG efforts related to the Washington Headquarters Services (WHS) BRAC 2005 process.

DWOs. DWO is a collective term for 11 Defense Organizations.² WHS is one of the 11 DWOs. The OSD Director, Administration and Management (DA&M) led the DWO BRAC 2005 process and was responsible for collecting and submitting BRAC data for the DWOs. OSD DA&M was the primary data repository for all DWO data collections and requests, and assembled and forwarded BRAC-related data to the OSD BRAC Office and the JCSGs.

ICPs. The DWO ICP outlined internal control procedures designed to ensure the accuracy, completeness, and integration of all information and analytical processes used in the BRAC 2005 process. Before the BRAC data calls were released, OSD required the Services, Defense agencies, and DWOs to prepare ICPs that incorporated and supplemented the OSD ICP. The OSD ICP was issued in the Under Secretary of Defense for Acquisition, Technology, and Logistics' memorandum "Transformation Through Base Realignment and Closure (BRAC 2005) Policy Memorandum One—Policy, Responsibilities, and Procedures," April 16, 2003. OSD DA&M prepared the "Defense-Wide Organizations Internal Control Plan for the 2005 Base Realignment and Closure Process," dated January 15, 2004. The overall DWO ICP, and Appendixes L

¹ A scenario is a description of one or more potential realignment or closure actions identified for formal analysis by either a JCSG or a Military Department.

² The 11 organizations that comprise the DWOs are OSD, Joint Chiefs of Staff, DoD OIG, Office of Economic Adjustment, DoD Education Activity, Defense Human Resources Activity, TRICARE Management Activity, American Forces Information Service, Defense Prisoner of War/Missing Personnel Office, Defense Technology Security Administration, and Washington Headquarters Services.

and M applied to the 11 DWOs. Each DWO was responsible for preparing an organization-specific appendix to supplement the overall DWO ICP. Appendix C of the DWO ICP applied to WHS. The DWO ICP was updated on August 2, 2004. For the capacity analysis data call, WHS used a manual data collection process, and for the second data call, WHS used the data gathering tool.³ For the second and scenario specific data calls, WHS used the August 2, 2004, DWO ICP.

WHS. WHS is responsible for providing administrative and operational support to DoD. The Director, WHS also serves as the Deputy Director for Administration and Management in the Office of the Secretary of Defense. WHS is located in the Pentagon and has 13 other offices in the Washington, D.C., area at Crystal Gateway 1, 2, and 3; Crystal Mall 2, 3, and 4; Crystal Gateway North; 1401 Wilson Boulevard; 400 Army Navy Drive; Rosslyn Plaza North; and the Polk Building in Arlington, Virginia; Hoffman I, Alexandria, Virginia; and Skyline VI, Falls Church, Virginia. Initially, the WHS Planning and Evaluation Staff Offices were responsible for collecting and submitting WHS BRAC responses for all of WHS. These responsibilities were subsequently transferred to the WHS Administration and Program Support Directorate Staff Offices. In addition to these two offices, we also visited the Financial Management Directorate and Human Resources Directorate.

Objectives

The overall objective of the audit was to evaluate the validity, integrity, and supporting documentation of data that WHS collected and submitted for the BRAC 2005 process. In addition, we evaluated whether WHS complied with the OSD and DWO ICPs. This report is one in a series on data call submissions and internal control processes for BRAC 2005. See Appendix A for a discussion of the scope and methodology, our review of management controls, and prior coverage related to the objectives.

³ A modified Microsoft Access tool for those not using an automated data collection tool.

Washington Headquarters Services BRAC 2005 Data Call Submissions and Internal Control Processes

After corrections were made, WHS responses to the BRAC 2005 data calls were generally supported, complete, and reasonable. However, for the capacity analysis data call, 9 of the 97⁴ responses were partially supported and 3 responses were unsupported. Also, for the second data call, 2 of the 71 responses were partially supported and 9 were unsupported. Furthermore, as of April 5, 2005, for the scenario specific data calls, 3 of the 12 scenario specific data calls were partially supported. We cannot determine if these questions have a material effect on the BRAC 2005 analysis for WHS. The WHS data collection processes for each of the data calls generally complied with the OSD and DWO ICPs, and the DWO ICP properly incorporated and supplemented the OSD ICP. However, WHS had seven immaterial noncompliance issues with the ICP, which should not impact the integrity of the WHS data for use in BRAC 2005 analysis.

WHS BRAC 2005 Data Call Submissions

The WHS data responses to the BRAC 2005 were generally supported, complete, and reasonable once corrections were made. For the capacity analysis, second, and scenario specific data calls, WHS provided either an answer or a “Not Applicable” response to the questions. A “Not Applicable” response was provided when either OSD DA&M or WHS determined that the question did not apply to WHS. To ensure accuracy, we compared the WHS responses to supporting documentation and reviewed the responses to ensure reasonableness and completeness. We also reviewed the “Not Applicable” responses for reasonableness.

Capacity Analysis Data Call. After corrections were made, WHS responses to the capacity analysis data call were generally supported, complete, and reasonable; however, 9 of 97 responses remained partially supported and 3 responses remained unsupported. Specifically, with the exception of these 12 responses, WHS responses were supported, complete, and reasonable once corrections were made; and “Not Applicable” responses were reasonable.

OSD DA&M directed the DWOs to answer 75 of the 752 capacity analysis data call questions identified as applicable to the DWOs by HSA JCSG. The

⁴ HSA JCSG determined that partially supported and unsupported question numbers 347, 352, 358, 360, 362 through 366, 369, 371, 376, 379, 382, 383, 385 through 387, 393, 478, and 481 were no longer needed or would not be used for its analysis. As a result, we determined that no further action was required on behalf of WHS for these questions.

HSA JCSG identified an additional two questions as applicable for WHS. OSD DA&M also directed WHS to review the remaining 675 questions to determine if any other questions were applicable to WHS. WHS reviewed the 77 questions and the remaining questions, and identified only 39 of 77 questions and an additional 20 of the remaining questions as applicable to WHS. As a result, WHS provided either a response or a “Not Applicable” response to 97 capacity data call questions. WHS provided a response other than “Not Applicable” to 59 of these capacity analysis data call questions. WHS provided a “Not Applicable” response to the remaining 38 questions.

We evaluated the responses and supporting documentation and identified those lacking reasonable support and those that were inconsistent with the supporting documentation provided. Initially, we determined that 10 responses were adequately supported, 11 responses were partially supported, and 38 responses were unsupported. The 38 “Not Applicable” responses were reasonable. Based on our review and discussions with WHS BRAC officials, WHS corrected responses, processed change adjudications,⁵ and agreed to continue correcting its initial submission and collecting supporting documentation. WHS stated it would forward the responses to OSD DA&M; however, we did not verify that the responses made it into the OSD Database.

We revalidated the revisions and supporting documentation after WHS corrected the responses and provided additional supporting documentation. Initially, we focused our revalidation efforts on reviewing the 11 partially supported and 38 unsupported WHS responses from the initial capacity analysis data call submission. Subsequently, HSA JCSG informed us that WHS responses to 21⁶ previously partially supported and unsupported finance and accounting and civilian personnel office questions were no longer needed or would not be used for its analysis. As a result, we determined that no further action was required on behalf of WHS for those 21 questions. Therefore, we evaluated the responses and supporting documentation for the remaining 28 questions. We verified and concurred with the revisions, with the exception of nine responses that remained partially supported and three responses that remained unsupported. WHS stated it would forward the revised responses to OSD DA&M; however, we did not verify that the revised responses made it into the OSD Database. As of February 17, 2005, the following questions remained partially supported or unsupported:

- WHS responses to question numbers 211 and 212 were only partially supported. We were unable to fully validate the data because WHS did not provide a documented methodology of how responses to Actual Total Stationary Source Emissions Inventory and Major Source Threshold or Major Modification Threshold were calculated.

⁵ A change adjudication is the process for amending and documenting the correction of certified responses in the BRAC data.

⁶ Question numbers 347, 352, 358, 360, 362 through 366, 369, 371, 376, 379, 382, 383, 385 through 387, 393, 478, and 481.

-
- WHS responses to question numbers 283, 292, and 298 were unsupported. We were unable to fully validate and determine the reasonableness of the responses. WHS provided incomplete and inadequate supporting documentation for industrial wastewater outflow, potable water consumption, and sanitary sewage outflow. WHS was unable to obtain all of the necessary records from Arlington County. Therefore, WHS made assumptions in answering the questions and did not provide a written methodology for its calculations.
 - WHS response to question number 310 was only partially supported. We were unable to fully validate the response. WHS did not provide supporting documentation indicating that some of the General Services Administration leased space that was reported was actually occupied by DoD tenants.
 - WHS responses to question numbers 446, 461, 462, and 480 were partially supported. WHS was unable to provide adequate supporting documentation for on-board contractors and detailees.
 - WHS response to question number 482 was partially supported. WHS did not provide supporting documentation for civilian population serviced throughput, or number of automated phone/internet transactions throughput.
 - WHS response to question number 621 was partially supported. We were unable to reconstruct the WHS responses because WHS provided an inadequate methodology for calculating Electrical Supply and Natural Gas Normal Steady State Daily Loads, Peak Daily Demands for FY 2003, and Peak Daily Demands for FY 2000 through FY 2003.

Second Data Call. After corrections were made, WHS responses to the second data call were generally supported, complete, and reasonable; however, 2 of 71 responses were partially supported and 9 were unsupported. Specifically, with the exception of these 11 responses, WHS responses were supported, complete, and reasonable once corrections were made; and “Not Applicable” responses were reasonable.

OSD DA&M identified 69 questions as applicable to WHS and directed WHS to review the remaining questions to determine if any other questions were applicable. WHS reviewed the remaining questions and identified an additional two questions as applicable to WHS. As a result, WHS provided a response to 71 second data call questions. WHS provided a response other than “Not Applicable” to 50 second data call questions. WHS provided a “Not Applicable” response to the remaining 21 questions. WHS leased facilities were required to answer JPAT 7 and COBRA data call questions; however, the WHS BRAC official provided a single response to include all WHS leased facilities. We evaluated the responses and supporting documentation and identified those

lacking reasonable support and those that were inconsistent with the supporting documentation. Based on our review and discussions with WHS BRAC officials, WHS corrected responses, processed change adjudications, and provided additional supporting documentation to correct the issues identified during our review. We verified and concurred with the revisions, with the exception of two responses that remained partially supported and nine responses that remained unsupported. WHS stated it would forward the responses to OSD DA&M; however, we did not verify that the responses made it into the OSD Database. As of February 17, 2005, the following questions remained partially supported or unsupported:

- The WHS response to COBRA question number 1501 was unsupported. WHS did not provide any supporting documentation for the square footage of existing facilities.
- The WHS response to HSA JCSG military value question number 1905 was partially supported. We were unable to fully validate the response because WHS provided inadequate methodologies and unreliable supporting documentation for customers, support personnel, and privatized/outsourced functions.
- The WHS response to HSA JCSG military value question number 1916 was unsupported. We were unable to fully validate the responses because WHS provided inadequate methodologies and inadequate supporting documentation for supervisory personnel, non-supervisory personnel, and the usable square footage occupied by both.
- The WHS response to HSA JCSG military value question number 1917 was unsupported. WHS provided inadequate supporting documentation for square footage and authorized personnel.
- The WHS response to HSA JCSG supplemental capacity data call question number 4081 was partially supported. WHS did not provide any supporting documentation for on-board contractors and square footage.

Further, after our first review of the second data call responses, WHS made changes to JPAT 7 question numbers 1400, 1401, 1403, 1410, 1411, and 1413; however, WHS did not provide any supporting documentation. As of February 17, 2005, these six JPAT 7 responses remained unsupported.

We did not make a determination as to whether responses to JPAT 7 question numbers 1405 through 1407 were supported, complete, and reasonable because OSD guidance allowed DWOs to contact the nearest installation to obtain responses. WHS used responses from Fort Myer Military Command and Defense Logistics Agency. In addition, we did not make a determination as to whether responses for HSA JCSG military value question numbers 1907⁷ and 1908⁸ were

⁷ The question asked for the number of meetings between an organization's senior officials, including flag officers, and senior officials from another organization located in the Washington, D.C., area.

supported, complete, and reasonable. We could not verify the supporting documentation because it consisted of Microsoft Outlook calendars that could not be validated.

Scenario Specific Data Calls. WHS responses to the scenario specific data calls were generally supported, complete, and reasonable once corrections were made. As of February 17, 2005, WHS had received 12 scenario specific data calls. Of these, we initially considered four scenario specific data calls partially supported. Subsequently, the HSA JCSG deleted scenario specific data call HSA-0106. As a result, we determined that no further action was required on behalf of WHS for HSA JCSG scenario specific data call HSA-0106. Therefore, as of February 17, 2005, three scenario specific data calls were partially supported. Specifically:

- The WHS responses to scenario specific data call HSA-0053 were partially supported. We were unable to fully validate WHS responses for personnel because WHS provided an inadequate methodology. WHS provided a methodology of how supporting documentation was collected. WHS did not provide a documented methodology of how personnel responses were calculated that would enable us to reconstruct the WHS response. In addition, WHS did not provide adequate supporting documentation for warehouse space or contractors and detailees.
- The WHS responses to scenario specific data call HSA-0099 were partially supported. WHS did not provide adequate support for square footage.
- The WHS responses to the non-numbered HSA JCSG scenario specific data call were partially supported. WHS did not provide adequate support for square footage and non-access controlled underground parking.

In addition, for scenario specific data calls HSA-0029, HSA-0030, HSA-0031, HSA-0088, HSA-0096, HSA-0097, HSA-0098, and HSA-0099, WHS was unable to update its responses to the scenario data that the HSA JCSG pre-populated. Therefore, WHS uploaded memorandums for record for its responses to the OSD BRAC portal. We evaluated the responses and supporting documentation and identified those lacking reasonable support and those that were inaccurate or inconsistent with the supporting documentation. Based on our review and discussions with WHS BRAC officials, WHS corrected responses and agreed to amend the memorandums for record and obtain additional supporting documentation to correct issues identified during our review. We verified and concurred with the changes; however, as of February 17, 2005, WHS had not fully supported three scenario specific data calls. WHS stated that they uploaded the scenario specific data call responses to the OSD BRAC portal; however, we did not verify that the responses made it into the OSD BRAC portal. Subsequent to our site visit, the HSA JCSG may have replaced scenario specific data call

⁸ The questions asked for the number of meetings between an organization's senior officials, including flag officers, and members of Congress or their staffs.

HSA-0106 with an alternative scenario specific data call; we did not review that response.

Internal Control Processes

The WHS data collection processes for the capacity analysis, second, and scenario specific data calls generally complied with the OSD and DWO ICPs. However, we identified seven noncompliance issues. The DWO ICP properly incorporated and supplemented the OSD ICP. To evaluate WHS compliance with the ICPs for each of the data calls, we ensured that the DWO ICP properly incorporated and supplemented the OSD ICP and evaluated whether WHS completed nondisclosure agreements, appropriately marked and safeguarded BRAC data, and maintained complete BRAC data files.

Compliance with ICPs. WHS did not fully comply with the DWO ICP procedures. The ICP procedures required that:

- supporting documentation be attached to certified question pages;
- tracking logs of BRAC 2005 documents be maintained;
- the answerer and trusted agent/reviewer sign each question page; and
- BRAC 2005 documents be marked as draft deliberative and/or sensitive.

For the capacity analysis data call, we identified three noncompliance issues. Specifically, WHS did not appropriately mark supporting documentation or attach the support to certified question pages. In addition, WHS did not maintain logs to record each time the trusted agent worked with the WHS BRAC 2005 Master Record or made copies of WHS BRAC 2005 documents. WHS partially resolved the noncompliance issues by marking some of the supporting documentation appropriately. However, during our revalidation of the capacity data call, some of the supporting documentation remained unmarked.

For the second data call, we identified two noncompliance issues. WHS did not appropriately mark supporting documentation and upon certification, each of the question pages was not signed and dated. WHS resolved the certification noncompliance by signing and dating the question pages. WHS also informed us that all BRAC documents had been appropriately marked, but we did not physically verify the application of the appropriate markings.

During the scenario specific data calls, we identified two noncompliance issues. WHS did not appropriately mark the supporting documentation and did not provide certification letters for each of the 12 scenario specific data calls. Specifically, WHS provided a generic certification letter for 11 unidentified scenario specific data calls. Therefore, we were unable to determine which 11 of the 12 scenario specific data calls were actually certified. WHS partially resolved

the certification issues by providing adequate certification letters containing identification numbers for 11⁹ scenario specific data calls. However, as of April 5, 2005, WHS had not provided a certification letter for scenario specific data call HSA-0106. We consider the lack of the appropriate markings, signatures, and dates to be immaterial noncompliance issues with the internal control plans because WHS completed non-disclosure agreements and safeguarded BRAC data. In addition, HSA JCSG deleted scenario specific data call HSA-0106 and we determined that no further action was required on behalf of WHS.

Completeness of ICP. The DWO ICP outlined internal control procedures designed to ensure the accuracy, completeness, and integration of all information and analytical processes upon which WHS was to submit documents, data, and information used in the BRAC 2005 process. The DWO ICP established BRAC 2005 responsibilities of OSD DA&M and control mechanisms to safeguard WHS BRAC information. The ICP detailed the requirements for verifying the accuracy of data and information. In addition, the ICP identified required documentation to justify changes made to data and information received from subordinate levels of the organization. Specifically, the ICP included direction on the completion of nondisclosure agreements; and the collection, marking, safeguarding, and maintenance of BRAC data. The DWO ICP was updated August 2, 2004, to reflect changes to the documentation requirements for DWO BRAC 2005 ICP implementation. In addition, WHS updated its appendix to the DWO ICP during the second data call to reflect changes to physical security controls because WHS trusted agent responsibilities were transferred from the WHS Planning and Evaluation Directorate to the Administration and Program Support Directorate.

Conclusion

WHS responses to the BRAC 2005 data calls were generally supported, complete, and reasonable once corrections were made. However, for the capacity analysis data call, 9 of the 97 responses were partially supported and 3 responses were unsupported. For the second data call, 2 of the 71 responses were partially supported and 9 were unsupported. As of February 17, 2005, 3 of the 12 scenario data calls were partially supported. We cannot determine if these partially supported or unsupported questions have a material effect on the BRAC 2005 analysis for WHS. The WHS data collection processes for each of the data calls generally complied with the OSD and DWO ICPs, and the DWO ICP properly incorporated and supplemented the OSD ICP. WHS had seven immaterial noncompliance issues with the ICP, which should not impact the integrity of the WHS data for use in BRAC 2005 analysis.

⁹ Scenario specific data calls HSA-0029, HSA-0030, HSA-0031, HSA-0047, HSA-0053, HSA-0088, HSA-0096, HSA-0097, HSA-0098, HSA-0099, and one non-numbered HSA JCSG scenario specific data call.

We discussed the results of the data call submissions and ICP reviews with WHS upon completion of each data call. WHS concurred with our findings, processed change adjudications, and agreed to continue working to correct responses and collect additional supporting documentation. WHS also agreed to appropriately mark supporting documentation.

We followed up with WHS on April 5, 2005, and determined that no additional changes had been made and no additional supporting documentation had been collected for partially supported or unsupported responses. Therefore, as of April 5, 2004, WHS responses remained partially supported for the following questions:

- capacity analysis data call question numbers 211, 212, 310, 446, 461, 462, 480, 482, and 621;
- HSA JCSG military value question number 1905;
- HSA JCSG supplemental capacity question number 4081; and
- scenario specific data calls HSA-0053, HSA-0099, and one non-numbered HSA JCSG scenario specific data call.

The WHS responses remained unsupported for the following questions:

- capacity analysis data call question numbers 283, 292, and 298;
- HSA JCSG military value question numbers 1916 and 1917;
- JPAT 7 question numbers 1400, 1401, 1403, 1410, 1411, and 1413; and
- COBRA question number 1501.

Management Comments on the Finding and Audit Response

Although not required, the Director, WHS provided the following comments on the draft report. For the full text of the WHS comments, see the Management Comments section of the report.

WHS Comments. The Director, WHS stated that the draft report contained two errors. The Director stated that supporting documentation for COBRA question number 1501 was available for DoD OIG review during the February 17, 2005, site visit. The Director also stated that the WHS methodology used to collect the personnel information was included in a memorandum for record and attached to scenario specific data call HSA-0053.

Audit Response. We inquired during our scenario data call site visits whether additional revisions and supporting documentation had been submitted regarding unresolved issues for the second data call. The WHS trusted agent stated that

responses for JPAT 7 questions and HSA JCSG military value question number 1905 had been revised. We do not dispute that WHS may have had supporting documentation for COBRA question number 1501 during our scenario data call site visits. However, WHS did not inform us that supporting documentation had been obtained for COBRA question number 1501. Therefore, during our scenario data call site visits, we did not revalidate COBRA question number 1501. In addition, we corrected our report to reflect that WHS provided an inadequate methodology for scenario specific data call HSA-0053. WHS provided a methodology of how supporting documentation was collected. WHS did not provide a documented methodology of how personnel responses were calculated that would enable us to reconstruct the WHS response.

Appendix A. Scope and Methodology

We evaluated the validity, integrity, and supporting documentation of WHS BRAC 2005 data. The evaluation included comparing question responses to supporting documentation and reviewing “Not Applicable” responses to determine whether responses were reasonable. Questions required either an answer or a “Not Applicable” response; a “Not Applicable” response was provided when either OSD DA&M or WHS determined that the question did not apply to WHS. However, we did not verify that the responses made it into the OSD Database. We evaluated whether the DWO ICP incorporated and supplemented the requirements of the OSD ICP. We also evaluated the WHS data collection procedures to determine whether they complied with the applicable ICP procedures to include completing nondisclosure agreements; and collecting, marking, safeguarding, and maintaining BRAC data. In addition, we interviewed the personnel responsible for answering, reviewing, preparing, and certifying the responses to the data call questions.

Capacity Analysis Data Call. A January 23, 2004, OSD DA&M memorandum directed WHS to answer 77 of the 752 capacity analysis data call questions identified as applicable to DWOs by HSA JCSG. HSA JCSG identified an additional two questions as applicable for WHS. OSD DA&M also directed WHS to review the remaining questions to determine if any other questions were applicable to WHS. WHS reviewed the 77 questions and the remaining 675 questions. WHS identified only 39 of the 77 questions and an additional 20 of the remaining questions as applicable for WHS. As a result, WHS provided either a response or a “Not Applicable” response to 97 capacity analysis data call questions. We did not validate the OSD DA&M or WHS selection process or the questions not selected.

We evaluated the WHS responses to the 97 capacity analysis data call questions. We issued a site memorandum to summarize the results. Specifically, we reviewed the responses and supporting documentation to the following questions:

- question numbers 40, 198, 199, 205, 210 through 212, 219, 220, 226, 227, 236, 246, 265, 266, 279, 283, 292, 294, 298, 310, 311, 347, 350, 352, 354 through 356, 358, 360, 362 through 366, 369, 371, 376, 379, 382, 383, 385 through 387, 393, 446 through 448, 461, 462, 466, 468, 469, 471, 478, 480 through 482, and 621 with a response; and

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- question numbers 313 through 329, 348, 349, 351, 353, 357, 359, 361, 367, 368, 370, 372 through 375, 377, 378, 380, 381, 384, 388, 464, and 582 with a “Not Applicable” response.

We revalidated outstanding issues from the capacity analysis data call. During our revalidation, the HSA JCSG informed us that WHS responses to 21¹ previously partially supported and unsupported finance and accounting and civilian personnel office questions were no longer needed or used for its analysis. We determined that no further action was required on behalf of WHS for those 21 questions. Therefore, we evaluated the responses and supporting documentation for the remaining 28 questions. We issued a site memorandum to summarize the results of our revalidation. Specifically, we revalidated the responses and supporting documentation for the following initial capacity analysis data call questions:

- question numbers 205, 210 through 212, 219, 220, 226, 236, 246, 266, 279, 283, 292, 294, 298, 310, 446 through 448, 461, 462, 468, 469, 480, 482, and 621 with a response; and
- question numbers 40 and 311 with a “Not Applicable” response.

Second Data Call. WHS received guidance from OSD DA&M on June 18, 2004; June 23, 2004; and July 22, 2004, directing it to answer 26 HSA JCSG military value questions; 15 HSA JCSG supplemental capacity questions; 8 COBRA questions; and 20 JPAT 7 questions. WHS reviewed the questions and responded to 28 HSA JCSG military value questions, 14 HSA JCSG supplemental capacity questions, 1 Education and Training JCSG supplemental capacity question, 8 COBRA questions, and 20 JPAT 7 questions. WHS complied with the requirement to have all leased facilities answer JPAT 7 and COBRA data call questions. WHS leased facilities include offices at Crystal Gateway 1, 2, and 3; Crystal Mall 2, 3, and 4; Crystal Gateway North; 1401 Wilson Boulevard; 400 Army Navy Drive; Rosslyn Plaza North; and the Polk Building in Arlington, Virginia; Hoffman I, Alexandria, Virginia; and Skyline VI, Falls Church, Virginia.

We evaluated the WHS responses to 71 second data call questions. We issued a site memorandum to summarize the results. Specifically, we reviewed the responses and supporting documentation for the following questions:

- JPAT 7 question numbers 1400 through 1417, 1420, and 1421;² COBRA question numbers 1501 and 1505; HSA JCSG military value question numbers 1900, 1904, 1905, 1907 through 1913, 1916 through 1919, 1921, 1926, 1947, 1950, 1953, and 1956;

¹ Question numbers 347, 352, 358, 360, 362 through 366, 369, 371, 376, 379, 382, 383, 385 through 387, 393, 478, and 481.

² The JPAT 7 group made the decision to replace JPAT 7 questions 1418 and 1419 with JPAT 7 questions 1420 and 1421.

Education and Training JCSG supplemental capacity question number 4000; and HSA JCSG supplemental capacity question numbers 4080, 4081, and 4099 through 4103 with a response; and

- COBRA question numbers 1500, 1502 through 1504, 1506, and 1507; HSA JCSG military value question numbers 1914, 1915, 1923, 1925, 1927, 1949, 1954, and 1957; HSA JCSG supplemental capacity question numbers 4079, 4096, and 4242 through 4246 with a “Not Applicable” response.

We did not make a determination as to whether responses for HSA JCSG military value question numbers 1907 and 1908 were supported, complete, and reasonable. We could not verify the supporting documentation because it consisted of Microsoft Outlook calendars that could not be validated. In addition, we did not make a determination as to whether responses to JPAT 7 question numbers 1405 through 1407 were supported, complete, and reasonable because OSD guidance allowed DWOs to contact the nearest installation to obtain responses. WHS used responses from Fort Myer Military Command and Defense Logistics Agency.

Scenario Specific Data Calls. As of February 17, 2005, WHS had received 12 scenario specific data calls from HSA JCSG. We evaluated the responses and supporting documentation to HSA JCSG scenario data calls HSA-0029, HSA-0030, HSA-0031, HSA-0047, HSA-0053, HSA-0088, HSA-0096, HSA-0097, HSA-0098, HSA-0099, HSA-0106, and one non-numbered scenario data call. In addition to reviewing the scenario specific data call responses, we followed up on outstanding issues from the second data call. We validated changes to JPAT 7 question numbers 1400 through 1403, 1405, 1406, 1410, 1411, and 1413, and HSA JCSG military value question number 1905.

Subsequent to our site visit, HSA JCSG may have replaced scenario specific data call HSA-0106 with an alternative scenario specific data call; we did not review that response.

We performed this audit from April 2004 through April 2005 in accordance with generally accepted government auditing standards.

Use of Computer-Processed Data. Because of time constraints, we did not test the accuracy of the computer-processed data used to support the answers to data call questions. Potential inaccuracies in the data could impact the results. However, the WHS BRAC 2005 data were certified as accurate and complete to the best of the certifier’s knowledge and belief. We did not review the data-gathering tool used by WHS during the second data call.

Government Accountability Office High-Risk Areas. The Government Accountability Office has identified several high-risk areas in DoD. This report provides coverage of the Management of Federal Real Property and DoD Support Infrastructure Management high-risk areas.

Management Control Program Review

We did not review the WHS management control program because its provisions were not deemed applicable to the one-time data collection process. However, we evaluated the WHS internal control procedures for preparing, submitting, documenting, and safeguarding information associated with the BRAC 2005 data calls, as directed by the applicable ICPs. Specifically, we reviewed procedures that WHS used to develop, submit, and document its data call responses. In addition, we reviewed the controls implemented to safeguard the premature disclosure of WHS BRAC data before responses were forwarded to the OSD BRAC Office. Internal control procedures were adequate as they applied to the audit objective, and WHS generally complied with the applicable ICPs. However, WHS had seven immaterial noncompliance issues with the ICP (See finding for additional details).

Prior Coverage

During the last 5 years, the DoD Inspector General issued three site memorandums related to WHS BRAC 2005.

Site Memorandums

DoD IG Memorandum, "Audit Revalidation on the Capacity Analysis Data Call Submission from Washington Headquarters Services for Base Realignment and Closure 2005," February 23, 2005

DoD IG Memorandum, "Audit on the Second Data Call Submission from the Washington Headquarters Services for Base Realignment and Closure 2005," December 6, 2004

DoD IG Memorandum, "Audit on the Capacity Analysis Data Call Submission from Washington Headquarters Services for Base Realignment and Closure 2005," June 24, 2004

Appendix B. Report Distribution

Office of the Secretary of Defense

Director, Base Realignment and Closure (Installations and Environment)
Director, Washington Headquarters Services

Non-Defense Federal Organizations

Government Accountability Office

Washington Headquarters Services Comments

Final Report
Reference



DEPARTMENT OF DEFENSE
WASHINGTON HEADQUARTERS SERVICES
1155 DEFENSE PENTAGON
WASHINGTON, DC 20301-1155



13 MAY 2005

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL FOR AUDITING


SUBJECT: Discrepancies noted on the Draft Washington Headquarters Services Data Call Submissions and Internal Control Processes for Base Realignment and Closure 2005

The Draft report, dated May 2, 2005, has two errors with respect to its determination that inadequate support was provided for WHS Data Call questions COBRA 1501 and Scenario HSA 0053.

1. Reference COBRA 1501: On page 7, second paragraph, first bullet, indicates that COBRA question number 1501 was unsupported because WHS did not provide any documentation for the square footage of existing facilities. However, at the February 17, 2005 IG review, this information was available and we believe it fully supports the WHS answer to COBRA 1505, which addresses our leased space.

2. Reference HSA 0053: On page 8, under Scenario Specific Data Calls, first bullet, the report indicates that the data call question HSA-0053 personnel responses were partially supported because no methodology was provided. However, the methodology for collecting the personnel information was included in a memorandum for the record attached to the HSA-0053. Nonetheless, we agree that the question remains unsupported because of inadequate documentation for contractor, detailee, and warehouse space documentation.

The remainder of the IG report is a thorough and accurate representation of our WHS data call submissions. We wish to acknowledge the support and assistance that your staff has provided to WHS throughout the BRAC process.


Howard G. Becker
WHS Certifying Official



Revised

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